BBER is the recognized economic expert in providing socioeconomic data and forecasting in New Mexico. With more than 70 years of experience, BBER’s research team provides economic forecasting as well as research services and communication tools tailored to the needs of clients – public, private, nonprofit, and philanthropic – seeking to understand and shape public policy on the regional, state and local levels.

BBER’s services and research help leaders in New Mexico to identify and understand trends and changing economic markets across New Mexico in order to inform decision making.
Tax Cut and Jobs Act: Impact on New Mexico

Cuts largest and most sustained for corporations and high-income households.

New Mexico is home to:
- zero Fortune 1000 companies
- 46% of workforce at firms with >500 employees (43rd in rank).
- 4.1% of households earn >$200k per year (43rd in rank)

Likely deficits may result in cuts in Federal spending.

New Mexico ranks:
- 3rd Federal Spending (% GSP)
- 11th Federal Retirement Benefits (% GSP)
- 17th Federal Non Retirement Benefits (% GSP)
- 3rd Federal Grants & Contracts (% GSP)

Limits on Property tax deductions will minimal impact.

Impacts on state PIT, CIT likely minimal

1 Fortune 3 Census
2 BLS 4 Pew Trust
New Mexico Economic Current Situation

- QCEW says NM added 2,665 jobs (0.3%) in 2017Q2, reversing two quarters of small declines.
- CES shows gains of 0.7% (2017Q3) and 1.0% (2017Q4). Adjusting for prior over-estimates, FOR-UNM anticipates an average of 0.7% (5,850 jobs) for the two quarters. 2017 closes up 0.4% (3,475 jobs).
- Near complete reversal of 2015-16 patterns – jobs in mining (4.8%), construction (5.3%), professional and business services (3.5%). healthcare (0.5%), hospitality (0.3%) slow. Retail falls sharply (-2.2%). Government cuts deepen (-2,250 jobs, -1.2%).
- Labor force growth slightly stronger (0.7%), unemployment at 6.1%.
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Gross Receipts Taxes by County: FY18 (Jul.-Nov.) v. FY17

Source: NM Taxation and Revenue Department
Gross Receipts Taxes by Industry: FY18 (Jul.-Nov.) v. FY17

Source: NM Taxation and Revenue Department
Drill Rig County, Oil Production with WTI Prices

Source: EIA, Baker Hughes, ONGARD, IHS Global Insight
State General Fund Appropriations by Category, FY91-FY17

Source: NM Legislative Finance Committee
Permanent Funds by State, Total and Per Capita

Source: SWFI, UNM BBER
New Mexico Economic Outlook: 2017-2022

- Forecast 8,450 jobs (1.0%) in 2018; 9,875 jobs (1.2%) in 2019; and average 8,675 jobs (1.0%) after.


- Income forecast marked down further – 2.7% in 2018, average 4.2% in 2019-2022. This forecast marked down -0.8% in 2018 and -0.3% 2019-2022 due to weaker jobs forecast, lower investment/proprietors’ incomes (from IHS Global Insight) and very weak transfers.

- Little reason to expect turn-around in residential construction.

- Oil production to increase gradually, given slightly weaker price outlook.

- Impacts of pessimistic (20%) greater than optimistic (15%) scenario.
NM Employment Forecast

Source: BBER, FOR-UNM Quarterly Forecast, January 2018 and October 2017
Job Growth by Sector

Source: BBER FOR-UNM Quarterly Forecast, January 2018
Annual Job Growth by Sector, 2019-2022

Source: BBER FOR-UNM Quarterly Forecast, January 2018
Employment Gains/Losses by Region, 2017-2022

Source: BBER FOR-UNM Quarterly Forecast, January 2018
NM Income Forecast

Source: BBER FOR-UNM Quarterly Forecast, January 2018
NM Employment Forecast, Alternative Scenarios

Source: BBER FOR-UNM Quarterly Forecast, January 2018
General Fund Consensus Revenue Estimates, Dec. 2017

Source: BBER FOR-UNM Quarterly Forecast, January 2018
BUREAU OF BUSINESS & ECONOMIC RESEARCH

ECONOMIC FORECAST
DATA DASHBOARDS
RESEARCH
DATA BANK
BBER’s New Mexico economic forecast is used to guide decision making and budget planning processes.

- Used by NM’s State government for revenue projections.

- Covers employment, income, education services, and industry-specific indicators.

- Provides national, regional and metropolitan levels of detail.

- Quarterly meetings with opportunities to engage with private and public sector leaders.

- Forecast and analysis narrative and electronic data access.

- Subscription level options.
BBER's Data Dashboards tell your story.

- Customized
- Up-to-date
- Reliable
- Documented
- Informative
- Web-based subscription

City of Santa Fe Population

83,875

Most recent Census Estimate as of July 1, 2016

Population Counts/Projections

Education

Population by Ethnicity

Median Age

- White, Non-Hispanic 41.8%
- Hispanic or Latino 33.9%

- American Indian and Alaska Native 1.1% (1,566)
- Asian 3.0% (424)
- Black or African American 2.3% (327)
- Other Race (5.3%) (73)
- Some Other Race 8.9% (1,284)
Research

BBER's Research applies an understanding of global and national trends to address the needs of New Mexico.

- Backed by UNM's research resources.
- Authoritative, objective and non-partisan.
- Supports decision-making.
- PhD and Masters level researchers who know New Mexico's institutions and history.

### Mill Levy Rates and School Enrollment

<table>
<thead>
<tr>
<th>State</th>
<th>Funding Type</th>
<th>Determinants of State Funding Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>Fixed</td>
<td>Guaranteed $ amount per student, if local tax base insufficient to fund, balance is provided by state.</td>
</tr>
<tr>
<td>Colorado</td>
<td>Variable</td>
<td>Assessed property value, Median household income, Enrollment, Mill levy, Percent of students eligible for free/reduced-cost lunch, Bond election effort &amp; success over last 10 yrs, Remaining available bonding capacity, Unreserved fund balance (charter schools only), Annual budget (charter schools only)</td>
</tr>
<tr>
<td>Nevada</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Texas</td>
<td>Variable</td>
<td>Property value, Enrollment, Annual debt service</td>
</tr>
<tr>
<td>Utah</td>
<td>Variable</td>
<td>Property tax yield, Enrollment</td>
</tr>
</tbody>
</table>

### Capital Outlay Funding in Other States
BBER’s Data Bank supports New Mexico Economic Forecast (FOR-UNM), Data Dashboard and Research services.

- New Mexico’s lead agency for U.S. Census Bureau’s State Data Center Program.
- Data Bank knows where data comes from, what it means and where it can go wrong.
- State of art technology to collect, manage and disseminate accurate data.
<table>
<thead>
<tr>
<th>Issues We Track</th>
<th>Additional Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development</td>
<td>Data Curation</td>
</tr>
<tr>
<td>Public Finance</td>
<td>Survey Research</td>
</tr>
<tr>
<td>Income</td>
<td>Economic Forecasting</td>
</tr>
<tr>
<td>Population Projections</td>
<td>Economic Impact Analysis</td>
</tr>
<tr>
<td>Tax Districts</td>
<td>Fiscal Impact Analysis</td>
</tr>
<tr>
<td>Housing Permits and Land Use</td>
<td>Feasibility Analysis</td>
</tr>
<tr>
<td>Transportation</td>
<td>Cost-Benefit Analysis</td>
</tr>
<tr>
<td>Arts and Culture Industries</td>
<td>Market Research</td>
</tr>
<tr>
<td>Demography and Migration</td>
<td>Labor Market Research</td>
</tr>
<tr>
<td>Workforce Needs</td>
<td>Program Evaluation</td>
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</tbody>
</table>
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-Santa Fe New Mexican

“UNM-BBER has been an invaluable partner with New Mexico MainStreet and Arts & Cultural District organizations. They set a firm economic foundation from which our affiliated communities can transform their local economy and the priority economic development project for implementation to move their vision to reality.”

-Rich Williams, Director, New Mexico MainStreet

“BBER is the most credible and independent source of economic data and analysis in New Mexico. Our company has a membership with BBER so that we have limitless access to information that analyses the current state of the economy in or state such that we can make informed business decision on where to focus our attention and manage our business.”

-Norm Becker, President + CEO, New Mexico Mutual

“BBER was really helpful and knowledgeable in working with the City of Santa Fe to create a data dashboard that appears on the city’s home page. If you’re a proponent of transparency and believe key data should be available to everyone, a data dashboard is the way to go. BBER has the tools and know-how to get it done.”

-Reed Liming, Division Director, Long Range Planning, City of Santa Fe

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